

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, March 26, 2002, the following members were present:

Gary Feland, Chairman
Jay Stovall, Vice Chairman
Bob Anderson, Commissioner
Matt Brainard, Commissioner
Bob Rowe, Commissioner

APPEARANCE

Steve Vick
Utility Division

(127) In the matter of NorthWestern Energy, Docket No. D2001.12.156; On December 6, 2001, Northwestern Energy filed its annual gas cost and gas cost tracking filing with the Commission. On December 21, 2001, the Commission issued Interim Order No. 6394, putting into place rates designed to decrease annual Montana jurisdictional natural gas revenues by (\$32,311,658). At the same time, in Interim Order No. 5898i, the Commission ordered the Company to implement rates designed to increase annual Montana jurisdictional natural gas revenues by an amount of \$15,704,415. During the discovery process it was learned that Northwestern Energy had inadvertently included the difference between the November 2001 and December 2001 gas cost revenue and gas cost expense in both the prior year deferred gas cost calculation and the current year deferred gas cost calculation. Northwestern Energy has filed a revision to its previous tracker filing. The revised deferred gas cost rate corrects the error by reducing the deferred balance by \$9,433,032 plus interest, at 10.75 percent, due to the over-collection during the months of January through March of 2002. This correction results in an overall rate decrease compared to the interim rates currently in effect. Northwestern Energy is also revising the carrying charge rate used to determine the carrying charge expense or credit calculated on the activity in the deferred account. In the original filing Northwestern Energy erroneously used the pre-tax rate of return of 12.26 percent on the monthly deferred balance and should have used the rate of return of 8.82 percent. Commissioner Anderson moved to approve the natural gas decrease. Commissioner Brainard seconded the motion, which passed unanimously.

(128) In the matter of Montana Power Company, Docket No. D2000.8.113; In Order No. 6271c, the Commission approved Natural Gas rates effective for service on and after May 8, 2001. These final rates were less than the interim rates that had been previously approved by the Commission on November 29, 2000. Order No. 6271c required that Montana Power (MPC) refund the amount overcollected between November 29, 2000 and May 7, 2001. The refunded amount included interest. MPC has been refunding customers for the overcollection since October 1, 2001. The principle amount to be refunded was \$680,004, plus interest of \$77,916 through March 31, 2002, for a total amount of \$757,920. The refund of the overcollection is set to expire on March 31, 2002, and will result in a .8726% increase in rates. This increase is to become effective April 1, 2002. Commissioner Rowe moved to approve cancellation of the refund. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Wayne Budt, Administrator
Transportation & Centralized Services Division

(129) In the matter of TN2134; Clayton L. Clowes, Hamilton, Montana requests permission to amend his 'dba' from Montana Medicab to Medicab on Montana PSC No. 9199.

SUB B Class B – Non-emergency medical and psychiatric patients from Granite, Lake, Mineral, Missoula, Ravalli, and Sanders Counties to medical appointments at health care facilities in Flathead, Granite, Lake, Mineral, Missoula, Ravalli, and Sanders and return.

Commissioner Brainard moved to approve amending the name on the authority. Commissioner Rowe seconded the motion, which passed unanimously.

(130) In the matter of the approval of Commission Minutes; Commissioner Stovall moved to approve the Commission Minutes for the week of March 18, 2002. Commissioner Rowe seconded the motion, which passed unanimously.

There being no further business to come before the Commission the meeting was adjourned.

GARY FELAND, Chairman

JAY STOVALL, Vice Chairman

BOB ANDERSON, Commissioner

MATT BRAINARD, Commissioner

BOB ROWE, Commissioner

ATTEST:

Rhonda J. Simmons
Commission Secretary

(SEAL)

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, March 26, 2002, the following members were present:

Gary Feland, Chairman
Jay Stovall, Vice Chairman
Bob Anderson, Commissioner
Matt Brainard, Commissioner
Bob Rowe, Commissioner

APPEARANCE

Robin McHugh, David Hoffman, Will Rosquist

(131) In the matter of the Commission's discussion of Montana Power Company/NorthWestern Energy Default Supply Portfolio, Docket No. D2001.10.144; Commissioner Brainard moved to issue a letter [to Harley Harris] saying "thanks, but no thanks" [re assistance with consultants]. Commissioner Anderson seconded the motion, which passed unanimously.

Commissioner Anderson moved to notice NorthWestern Energy's motion for protective order for challenges. Commissioner Brainard seconded the motion, which passed unanimously.

Commissioner Brainard moved to deny the motions of Comanche Park and Northern Alternative Energy for a settlement conference. Commissioner Rowe seconded the motion, which passed unanimously.

Commissioner Rowe moved to grant the joint motion in part, authorizing staff to convene a group of parties and interested parties to address interim rate design, green power, and customer choice terms and conditions, and other related matters. Commissioner Brainard seconded the motion, which passed unanimously.

Commissioner Rowe moved to deny the request for oral argument. Commissioner Brainard seconded the motion, which passed unanimously.

Commissioner Rowe moved to accept supplemental testimony by Robert Julian preferably in writing but orally if necessary. Commissioner Stovall seconded the motion, which passed unanimously.

Commissioner Rowe moved to deny the motion in limine and affirm the determination of the scope of the proceeding as in the 12/13/01 Notice of Commission Action, strike parts of Pascoe testimony, deny surrebuttal testimony, and deny the motion of Montana Wind Harness to file briefs. Commissioner Stovall seconded the motion, which passed unanimously.

Commissioner Rowe moved to deny as moot the request of Comanche Park to join Northern Alternative Energy's motion in limine. Commissioner Brainard seconded the motion, which passed unanimously.

Commissioner Brainard moved to grant the motion to quash the subpoena of James Carkulis. Commissioner Stovall seconded the motion, which passed unanimously.

Commissioner Stovall moved to deny the motion to quash the testimony of Mr. Ryan. Commissioner Brainard seconded the motion, which passed unanimously.

Commissioner Anderson moved to deny the motion of Comanche Park to exclude post-petition evidence as to both counts – status of contracts and the Montana Power Company and Rocky Mountain contract. Commissioner Rowe seconded the motion, which passed unanimously.

APPEARANCE

Robin McHugh, Will Rosquist, Eric Eck

(132) In the matter of the Commission's discussion of Montana Power Company/NorthWestern Energy' s Application for Approval of Cost Recovery Mechanism, Docket No. D2001.7.84 and D2001.10.144; Commissioner Stovall moved to issue an order on the cost recovery mechanism. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Robin McHugh, Will Rosquist

(133) In the matter of the Commission's discussion of Montana Power Company' s Compliance Filing on New Qualifying Facilities Tariffs pursuant to Order No. 6124, Docket No. 98.8.183; Commissioner Anderson moved to grant Montana Power Company' s request for an extension of time to file QF tariffs (at the latest July 1, 2002). Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE

Robin McHugh, Ryan Morton

(134) In the matter of the Commission's discussion of Montana-Dakota Utilities, Inc. Integrated Resource Plan, Docket No. D2001.9.128; Commissioner Stovall moved to issue the order as drafted. Commissioner Rowe seconded the motion, which passed unanimously.

APPEARANCE

Lisa Swanson

(135) In the matter of the Commission's discussion of Fairmont Hot Springs Initial Sewer Rates, Docket No. D2001.12.173; Commissioner Brainard moved to grant the motion for reconsideration, and grant the late intervention of Fairmont Estates Condominium Association. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE

Monica Tranel, Robin McHugh

(136) In the matter of the Commission's discussion of Mid-Rivers Telephone Cooperative Request for Arbitration of Interconnection Agreement, Docket No. D2002.1.3; Commissioner Stovall moved to issue the protective order. Commissioner Brainard seconded the motion. A substitute motion was offered by Commissioner Brainard who moved to notice the motion for protective order for hearing with a six-day response time. Commissioner Anderson seconded the motion, which passed unanimously.

APPEARANCE

Robin McHugh, Kate Whitney

(137) In the matter of the Commission's discussion of Qwest Corporation's Application for Approval of Section 271 of the Telecommunications Act of 1996, Docket No. D2000.5.70; Commissioner Stovall moved to approve the final report on Qwest's wholesale performance results and Checklist Item #11 – Local Number Portability – unresolved issue. Commissioner Anderson seconded the motion, which passed unanimously.

APPEARANCE

Monica Tranel

(138) In the matter of the Commission's discussion of Qwest Corporation's Application for Approval of Interconnection Agreement with BG Enterprises, Docket No. D2001.8.119; Commissioner Rowe moved to approve the application subject to the Commission order in the Essen Agreement, and further subject to the parties' submission of amendments required by the Essen Agreement. Commissioner Brainard seconded the motion, which passed unanimously.

(139) In the matter of the Commission's discussion of Qwest Corporation's Application for Approval of Interconnection Agreement with Qwick Communications, Docket No. D2001.8.112; Commissioner Rowe moved to approve the resale agreement subject to the Commission order in the Essen Agreement, and further subject to the parties' submission to the Commission of amendments required by the Essen Agreement. Commissioner Brainard seconded the motion, which passed unanimously.

(140) In the matter of the Commission's discussion of Qwest Corporation's Application for Approval of Interconnection Agreement with NOS Communications, Docket No. D2001.7.87; Commissioner Rowe moved to approve the application with sections 4.13, 5.4.3, 5.8.6, 6.2.14 and 6.2.3 rejected. Commissioner Brainard seconded the motion, which passed unanimously.

(141) In the matter of the Commission's discussion of Qwest Corporation's Application for Approval of Interconnection Agreement with Ciera Network Systems, Docket No. D2001.7.91; Commissioner Rowe moved to approve the application with sections 5.4.3, 5.8.6, 6.2.14 and 6.2.3 rejected. Commissioner Brainard seconded the motion, which passed unanimously.

(142) In the matter of the Commission's discussion of Qwest Corporation's Application for Approval of Interconnection Agreement with Intrado, Docket No. D2001.8.105; Commissioner Rowe moved to approve the application with sections 5.4.3, 5.8.6, 6.2.14 and 6.2.3 rejected. Commissioner Stovall seconded the motion, which passed unanimously.

(143) In the matter of the Commission's discussion of Qwest Corporation's Application for Approval of Interconnection Agreement with Contact Communications, Docket No. D2001.8.125; Commissioner Rowe moved to approve the application with sections 5.4.3, 6.2.14 and 6.2.3 rejected. Commissioner Stovall seconded the motion, which passed unanimously.

(144) In the matter of the Commission's discussion of Qwest Corporation's Application for Approval of Interconnection Agreement with Sprint Communications, Docket No. D2002.1.6; Commissioner Rowe

moved to approve the application with sections regarding Part A “General Terms,” Section (A)3.36, and (B)2.12 rejected, and add service performance and penalty issues as addressed in the QPAP. Commissioner Brainard seconded the motion, which passed unanimously.

(145) In the matter of the Commission's discussion of Qwest Corporation's Application for Approval of Interconnection Agreement with VarTec Telecom, Docket No. D2002.1.1; Commissioner Rowe moved to approve the application with sections 1.8 and subsections thereto, 5.8.2, 5.18, 6.2.14 and 6.2.3 rejected. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE

Monica Tranel

(146) In the matter of the Commission's discussion of Qwest Corporation and @link Networks, Application for Approval of Amendments to Interconnection Agreement (UDIT and Line Sharing), Docket No. D2000.8.129; Commissioner Rowe moved to approve the amendment, noting that sections 9.6 and 9.4 are updated in the new SGAT and the Commission encourages the CLEC to conform interconnection agreements with the SGAT when appropriate. Commissioner Brainard seconded the motion, which passed unanimously.

(147) In the matter of the Commission's discussion of Qwest Corporation and AT&T Communications of the Mountain States, Application for Approval of Amendment to Interconnection Agreement (Local Number Portability), Docket No. D96.12.200; Commissioner Rowe moved to approve the amendment, noting the updated SGAT and encouraging the parties to elect provisions of the new SGAT where appropriate. Commissioner Brainard seconded the motion, which passed unanimously.

(148) In the matter of the Commission's discussion of Qwest Corporation and Avista Communications, Application for Approval of Amendment to Interconnection Agreement (Collocation), Docket No. D2000.11.200; Commissioner Rowe moved to approve the amendment. Commissioner Stovall seconded the motion, which passed unanimously.

(149) In the matter of the Commission's discussion of Qwest Corporation and Compass Telecommunications, Application for Approval of Amendment to Interconnection Agreement (Line Sharing), Docket No. D99.3.80; Commissioner Rowe moved to approve the amendment, noting sections 9.6 are updated in the SGAT and encourage the parties to elect favorable SGAT provisions. Commissioner Stovall seconded the motion, which passed unanimously.

(150) In the matter of the Commission's discussion of Qwest Corporation and Computer Business Systems, Application for Approval of Amendment to Interconnection Agreement (Line Sharing), Docket No. D99.6.152; Commissioner Rowe moved to approve the amendment, noting sections 9.6 are updated in the SGAT and encourage the parties to elect favorable SGAT provisions. Commissioner Stovall seconded the motion, which passed unanimously.

(151) In the matter of the Commission's discussion of Qwest Corporation and Covad Communications, Application for Approval of Amendment to Interconnection Agreement (Line Sharing), Docket No. 99.3.68; Commissioner Rowe moved to approve the amendment. Commissioner Stovall seconded the motion, which passed unanimously.

(152) In the matter of the Commission's discussion of Qwest Corporation and Eclipse Communications, Application for Approval of Amendment to Interconnection Agreement (UNE-C), Docket No. 97.12.244; Commissioner Rowe moved to approve the amendment, noting the updated SGAT provisions and encouraging the parties to conform agreement to updated SGAT provisions. Commissioner Stovall seconded the motion, which passed unanimously.

(153) In the matter of the Commission's discussion of Qwest Corporation and Essen Communications, Application for Approval of Amendment to Interconnection Agreement (Nonrecurring charges), Docket No. D98.10.254; Commissioner Rowe moved to approve the amendment, noting that the amendment was a non-recurring charge and was approved for the relevant period only. Commissioner Brainard seconded the motion, which passed unanimously.

(154) In the matter of the Commission's discussion of Qwest Corporation and Fairpoint Communications Solutions, Application for Approval of Amendment to Interconnection Agreement (a) Line Sharing and EEL, b) Rates for UDIT UDF, and c) Arbitration and Disconnect), Docket No. D2000.8.131; Commissioner Rowe moved to approve the amendments, rejecting (B)5.4, referencing the SGAT, and noting that b) and c) are approved for the relevant time period, and encouraging the parties to utilize the updated SGAT where appropriate. Commissioner Brainard seconded the motion, which passed unanimously.

(155) In the matter of the Commission's discussion of Qwest Corporation and HealthCare Liability Management Corp., Application for Approval of Amendment to Interconnection Agreement, Docket No. D2000.5.71; Commissioner Rowe moved to approve the amendment, concerning the 10-day disconnection and utilize a 30-day disconnect instead, and encourage the parties to use the updated SGAT where appropriate. Commissioner Brainard seconded the motion, which passed unanimously.

(156) In the matter of the Commission's discussion of Qwest Corporation and Ionex Communications North, Application for Approval of Amendment to Interconnection Agreement (Line Sharing and Collocation), Docket No. D98.12.281; Commissioner Rowe moved to approve the amendment, nothing the updated SGAT and encouraging its use where appropriate. Commissioner Brainard seconded the motion, which passed unanimously.

(157) In the matter of the Commission's discussion of Qwest Corporation and McLeod USA Telecommunications Services, Application for Approval of Amendment to Interconnection Agreement (Cross-Connects, Collocation and UDIT), Docket No. D2001.1.7; Commissioner Rowe moved to approve the amendments regarding cross-connects and collocation, and rejecting the UDIT requesting resubmission of rates based on UDIT in the updated SGAT. Commissioner Brainard seconded the motion, which passed unanimously.

(158) In the matter of the Commission's discussion of Qwest Corporation and Montana Wireless, Application for Approval of Amendment to Interconnection Agreement (Line Sharing, O&M and ISP Traffic), Docket No. D99.12.284; Commissioner Rowe moved to approve the amendments, nothing the updated SGAT and encouraging its use where appropriate. Commissioner Brainard seconded the motion, which passed unanimously.

(159) In the matter of the Commission's discussion of Qwest Corporation and Multiband Communications,

Application for Approval of Amendment to Interconnection Agreement (UDF, Line Sharing and EEL), Docket No. D99.10.240; Commissioner Rowe moved to approve the amendments, noting the updated SGAT for the UDF and line sharing issues and encouraging the parties use of the SGAT where appropriate. Commissioner Brainard seconded the motion, which passed unanimously.

(160) In the matter of the Commission's discussion of Qwest Corporation and New Access Communications, Application for Approval of Amendment to Interconnection Agreement, Docket No. D2000.8.137; Commissioner Rowe moved to approve the amendment. Commissioner Stovall seconded the motion, which passed unanimously.

(161) In the matter of the Commission's discussion of Qwest Corporation and New Edge Network, Application for Approval of Amendment to Interconnection Agreement (Collocation, Loops, Line Sharing, Further Line Sharing, and UDIT and Loops), Docket No. D99.12.164; Commissioner Rowe moved to approve the amendments, noting that the amendments on collocation, loops and the first line sharing amendment are approved for the applicable time period. Commissioner Stovall seconded the motion, which passed unanimously.

(162) In the matter of the Commission's discussion of Qwest Corporation and Preferred Carrier Services, Application for Approval of Amendment to Interconnection Agreement, Docket No. D2001.6.80; Commissioner Rowe moved to approve the amendment, referencing the updated SGAT and encouraging use of its terms where appropriate. Commissioner Stovall seconded the motion, which passed unanimously.

(163) In the matter of the Commission's discussion of Qwest Corporation and Sprint Communications, Application for Approval of Amendment to Interconnection Agreement (Line Sharing, LCA, FOC, 911 Waiver and SPOP), Docket No. D97.8.160; Commissioner Rowe moved to approve the amendments, noting that all these amendments are mooted by the interconnection agreement just approved. Commissioner Stovall seconded the motion, which passed unanimously.

(164) In the matter of the Commission's discussion of Qwest Corporation and Summit Wireless, Application for Approval of Amendment to Interconnection Agreement (SPOP), Docket No. D2001.1.8; Commissioner Rowe moved to approve the amendment, rejecting section 1.7, noting that in accordance with decisions in the 271 process the commission reserves authority over decisions about trunking requirements. Commissioner Stovall seconded the motion, which passed unanimously.

(165) In the matter of the Commission's discussion of Qwest Corporation and WWC Holding, Application for Approval of Amendment to Interconnection Agreement (ISP), Docket No. D2000.8.132; Commissioner Rowe moved to approve the amendment. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Ryan Morton

(166) In the matter of the Commission's discussion of FCC 02-8, CC Docket No. 02-6, Schools and Libraries Universal Service Support Mechanism; Commissioner Stovall moved to submit the comments to the Federal Communications Commission. Commissioner Rowe seconded the motion, which passed unanimously.

APPEARANCE

Wayne Budt, Robin McHugh, David Hoffman, Susan Good

(167) In the matter of the Commission's discussion of budget/personnel; Commissioner Anderson moved to approve a pay exception for Mr. David de Gil. Commissioner Stovall seconded the motion, which passed unanimously.

There being no further business to come before the Commission the meeting was adjourned.

GARY FELAND, Chairman

JAY STOVALL, Vice Chairman

BOB ANDERSON, Commissioner

MATT BRAINARD, Commissioner

BOB ROWE, Commissioner

ATTEST:

Rhonda J. Simmons
Commission Secretary

(SEAL)

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Thursday, March 28, 2002, the following members were present:

Gary Feland, Chairman, via telephone
Bob Anderson, Commissioner, presiding at meeting
Matt Brainard, Commissioner, via telephone
Bob Rowe, Commissioner

Commissioner Stovall was absent and did not leave votes on the issues.

APPEARANCE

Monica Tranel, Kate Whitney, Mike Lee, Ryan Morton, Marla Larson

(168) In the matter of the Commission's discussion of Qwest Corporation' s Application for Approval of Section 271 of the Telecommunications Act of 1996, Docket D2000.5.70; Commissioner Rowe moved to adopt and issue the final report, subject to editing. Commissioner Brainard seconded the motion, which passed with a vote of 4-0.

APPEARANCE

Monica Tranel

(169) In the matter of the Commission's discussion of Integretel' s Unauthorized Charges on Customers' Bills, Docket No. D2002.3.29; Commissioner Rowe moved to grant Integretel an extension of time (to produce certain documents) until April 12, 2002. Commissioner Anderson seconded the motion, which passed with a vote of 3-1. Commissioners Anderson, Feland and Rowe voted aye. Commissioner Brainard dissented.

There being no further business to come before the Commission the meeting was adjourned.

GARY FELAND, Chairman

BOB ANDERSON, Commissioner

MATT BRAINARD, Commissioner

BOB ROWE, Commissioner

ATTEST:

Rhonda J. Simmons
Commission Secretary

(SEAL)